

Assembly Bill No. 1765

Passed the Assembly June 1, 2010

Chief Clerk of the Assembly

Passed the Senate August 24, 2010

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2010, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 19851.5 to the Government Code, relating to public employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1765, Solorio. Public employment: furloughs.

Existing law states that it is the policy of the state that the workweek of the state employee shall be 40 hours, and the workday of state employees 8 hours, except that workweeks and workdays of a different number of hours may be established in order to meet the varying needs of the different state agencies. Executive Order Nos. S-16-08 and S-13-09 imposed 3 unpaid furlough days on state employees.

This bill would prohibit a state employee from being furloughed when the unemployment rate in California during the previous month reached or exceeded 8.5%, and the employee's position is at least 95% funded by the federal government, performs services that combat the state's recession, and works for the California Unemployment Insurance Appeals Board or the Employment Development Department. The bill would also make related findings and declarations.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) In 2009 and 2010, California and the nation have experienced the most severe economic recession since the Great Depression of the 1930s. More than 2.2 million people were unemployed in California in January 2010, comprising 12.4 percent of the state's labor force.

(b) Unemployment insurance (UI) benefits are vital for unemployed workers and their families and, during periods of high unemployment, are vital to the success of many businesses and communities as a result of the increased spending made possible by these monetary benefits.

(c) Reviews by the United States Department of Labor have found that the California Employment Development Department (EDD) and the California Unemployment Insurance Appeals Board (CUIAB), the state's UI administrative agencies, are failing to achieve federal performance standards in processing and paying unemployment insurance benefits.

(d) Executive Order Nos. S-16-08 and S-13-09 have imposed three unpaid furlough days per month on state employees. These furloughs reduce employees' compensation by 14 percent and reduce the services available to the public. Furloughs have been imposed without regard to whether the employees are working in positions which combat the state's economic recession.

(e) Furloughing state employees whose positions are financed by the federal government and who work in programs designed to combat the state's economic recession fails to produce savings to the state General Fund, reduces services to the public, contributes to the late payment of vital unemployment benefits to unemployed people in California, and delays the state's economic recovery.

(f) It is important for the state's economic recovery that the employees working to provide unemployment insurance services, administered by the Employment Development Department and the California Unemployment Insurance Appeals Board, no longer be subject to a policy of employee furloughs during periods of high unemployment in the state.

SEC. 2. Section 19851.5 is added to the Government Code, to read:

19851.5. A state employee shall not be furloughed when all of the following criteria apply:

(a) The unemployment rate in California during the previous month reached or exceeded 8.5 percent.

(b) The employee's position is funded 95 percent or more by the federal government.

(c) The employee performs services that combat the state's recession. For the purposes of this subdivision, performing services related to the Unemployment Insurance Program constitutes a service that combats the state's recession.

(d) The employee works for the California Unemployment Insurance Appeals Board or the Employment Development Department.

Approved _____, 2010

Governor